

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF DELAWARE

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|------------------------------|---|---------------------|
| MEDTRONIC, INC., |) | |
| |) | |
| Plaintiff, |) | |
| |) | |
| v. |) | Civ. No. 03-848-SLR |
| |) | |
| GUIDANT CORPORATION, GUIDANT |) | |
| SALES CORPORATION, ELI LILLY |) | |
| and COMPANY, CARDIAC |) | |
| PACEMAKERS, INC., and |) | |
| MIROWSKI FAMILY VENTURES, |) | |
| L.L.C., |) | |
| |) | |
| Defendants. |) | |

MEMORANDUM ORDER

At Wilmington this 21st day of April, 2004, having reviewed plaintiff's motion to compel discovery, and the papers filed in connection therewith;

IT IS ORDERED that said motion (D.I. 39) is denied, for the reasons that follow:

1. Defendants have alleged that certain of plaintiff's implantable cardiac stimulation devices are within the scope of claims 15-26 of U.S. Patent No. RE 38,119 ("the '119 patent"). (D.I. 1, ¶ 15) The '119 patent was a "broadening reissue" of U.S. Patent No. 4,928,688 ("the '688 patent"). The '119 patent issued on May 20, 2003, thirteen years after the issuance of the '688 patent. In response, Medtronic brought this declaratory

judgment action against defendants to obtain judgment that claims 15-26 of the '119 patent are: 1) invalid or unenforceable as to Medtronic; and 2) that Medtronic is entitled to statutory and equitable intervening rights. (D.I. 1, ¶¶ 21, 24, 29) At issue is Medtronic's motion to compel defendants to produce documents concerning communications between the inventor and his attorneys referenced during the reissue process. Specifically, the inventor of the '688 patent filed a supplemental declaration with the United States Patent & Trademark Office ("PTO") in support of his reissue application in which he avers that error was committed without any deceptive intention, to wit, "that the failure to include in [the original] application claims such as new Claims 15-26 resulted from a lack of adequate communication between Mr. Nikolai [patent counsel] and myself." (D.I. 42, ex. C, ¶¶ 9 - 12)

2. Section 251 provides in relevant part:

Whenever any patent is, **through error without any deceptive intention**, deemed wholly or partly inoperative or invalid, by reason of a defective specification or drawing, or by reason of the patentee claiming more or less than he had a right to claim in the patent, the Director shall . . . **reissue the patent for the invention disclosed in the original patent**, and in accordance with a new and amended application

(Emphasis added) The reissue statute is "based on fundamental principles of equity and fairness, and should be construed liberally." In re Weiler, 790 F.2d 1576, 1579 (Fed. Cir. 1986).

Although "not every event or circumstance that might be labeled 'error' is correctable by reissue," id. at 1582, "[o]ne of the most commonly asserted 'errors' in support of a broadening reissue is the failure of the patentee's attorney to appreciate the full scope of the invention during the prosecution of the original patent application." In re Amos, 953 F.2d 613, 616 (Fed. Cir. 1991). The question at bar is whether the inventor waived the privilege protecting his communications with counsel by filing the supplemental declaration for reissue application. (See D.I. 42, ex. C, ¶¶ 8-12)

3. The caselaw relating to § 251 indicates that a waiver of privilege will be found under three sets of circumstances. First, if the inventor discloses the specific contents of confidential attorney-client communications, there has been a waiver of the privilege. See, e.g., Freeman v. Minnesota Mining and Manufacturing Co., U.S. Dist. LEXIS 21459 (D. Del. 1986) at *7; Chore-Time Equipment, Inc. v. Big Dutchman, Inc., 258 F. Supp. 233, 234 (W.D. Mich. 1966). Second, if the PTO places in issue the contents of confidential attorney-client communications, the privilege will be deemed waived in subsequent litigation. See Freeman, U.S. Dist. LEXIS 21459 at *8. Finally, "objective indicia of [bad] intent," In re Weiler, 790 F.2d at 1581 (citing In re Mead, 581 F.2d 251, 256 (C.C.P.A. 1978)), may justify disclosure of privileged attorney-client

communications.

4. In the case at bar, the inventor did not disclose specific privileged communications in his declaration and the PTO never put the referenced communications in issue. Therefore, plaintiff must identify some objective indicia of bad intent to justify a finding of waiver. Plaintiff argues that it has made such a showing. First, plaintiff argues that the inventor withheld material prior art from the PTO. The court is not persuaded by the record as it presently stands or by plaintiff's argument that the prior art identified was either material or improperly withheld.

5. Plaintiff also argues that defendants' privilege log demonstrates that the inventor's supplemental declaration is objectively false, as the log "contains some two dozen entries reflecting written and oral communications of Nikolai with both [inventor] Mower and other of defendants' representatives before the original '688 patent issued." (D.I. 44 at 16 and ex. D. entries P3, P4, P11-P15, P60, P72-82, P84-87) Plaintiff also points out that "there are no such communications at the time of the reissue application in 1992, when Nikolai's alleged 'errors' were purportedly discovered." (Id.)

6. Although the court finds this apparent discrepancy somewhat troubling, the court is not prepared to find a waiver of the attorney-client privilege on this ground alone. If, as the

litigation proceeds, plaintiff provides any further objective support for its position, the court will, at the very least, review the privileged communications in camera to determine the veracity of the inventor's reissue declaration.

7. The remaining motions associated with this discovery dispute (D.I. 45, 48) are moot, as the court read all papers filed and based its decision on the parties' arguments contained therein.

Sue L. Robinson
United States District Judge